

§ 49.4253-5

26 CFR Ch. I (4-1-04 Edition)

EXEMPTION CERTIFICATE

(Overseas Telephone Calls)

(Date) _____ 19__

I certify that the toll charges of \$ _____
are for telephone or radio telephone mes-
sages originating at _____
(Point of origin)

within a combat zone from _____
(Name)

a member of the Armed Forces of the United
States performing service in such combat
zone; that the transmission facilities were
furnished by _____ (Name of
carrier); and that the charges are exempt
from tax under section 4253(d) of the Internal
Revenue Code.

(Signature of subscriber)

(Address)

NOTE: Penalty for fraudulent use, \$10,000 or
imprisonment or both.

(2) See § 49.4253-11 for further provi-
sions relating to exemption certifi-
cates.

**§ 49.4253-5 Exemption for items other-
wise taxed.**

A dispatch, message, or conversation
transmitted by toll telephone, tele-
graph, or teletypewriter exchange over
the combined facilities of several lines
or stations of one or more persons is
considered to be one dispatch, message,
or conversation, and is subject to only
one payment of tax under section 4251.

**§ 49.4253-6 Exemption for common
carriers and communications com-
panies.**

(a) *In general.* (1) The taxes imposed
by section 4251 on amounts paid for
wire mileage service and wire and
equipment service do not apply to
amounts paid for any such services to
the extent that the amounts paid are
for services utilized by a common car-
rier, telephone or telegraph company,
or television or radio broadcasting sta-
tion or network in the conduct of its
business as such.

(2) The tax imposed by section 4251
on amounts paid for general telephone
service does not apply to amounts paid
for the use of a continuous telephone
or radio telephone line or channel to
the extent that the amounts paid are
for use by a common carrier, telephone
or telegraph company, or television or

radio broadcasting station or network
in the conduct of its business as such,
if such line or channel connects sta-
tions between any two of which there
would otherwise be a toll charge. A line
or channel connects stations between
which there would otherwise be a toll
charge if the telephone company
makes a toll charge for a single mes-
sage transmitted between the two sta-
tions in the case of the ordinary resi-
dential and business or commercial
telephone service. A line or channel
connecting two stations is considered a
continuous line or channel if such line
or channel does not connect with any
switchboard interposed between the
two stations, which makes it possible
to carry on two or more independent
conversations simultaneously. Where a
line or channel connects with such a
switchboard, the exemption is inappli-
cable to so much of the amount paid as
is attributable to the portion of the
line or channel which extends from a
station to a switchboard located in the
same local service area.

(b) *Exemption inapplicable.* This par-
ticular exemption is not applicable in
the case of the taxes imposed on
amounts paid for other services by sec-
tion 4251, even though such services are
utilized by the companies described in
the conduct of their business as such.

**§ 49.4253-7 Exemption for installation
charges.**

(a) *In general.* The taxes imposed by
section 4251 do not apply to any
amount paid as is properly attributable
to the installation of any instrument,
wire, pole, switchboard, apparatus, or
equipment.

(b) *Maintenance charges subject to tax.*
The exemption provided by section
4253(g) and paragraph (a) of this section
is applicable only to amounts paid for
installation. Amounts paid for the re-
pair or replacement of instruments,
wires, poles, switchboards, apparatus,
or equipment, incidental to ordinary
maintenance, are subject to tax.

**§ 49.4253-8 Exemption for terminal fa-
cilities in case of wire mileage serv-
ice.**

The taxes imposed by section 4251 do
not apply to so much of any amount
paid for wire mileage service as is paid